

REMARKS

Applicants would like to thank Examiner Rao for extending the courtesy of a personal interview to Applicants' representatives on March 6, 2007.

Claims 1- 20 are pending in the above-identified application. All pending claims have been rejected under 35 U.S.C. § 102(b) as allegedly being anticipated by Tiwari. As discussed in the interview of March 6, 2007, and acknowledged by the Examiner, Tiwari fails to disclose a picture coding method which comprises at least the feature of generating, with respect to a first image, a plurality of coded data having different coding quantities. Accordingly, as anticipation under 35 U.S.C. § 102 requires that each and every element of the claim be disclosed, either expressly or inherently (noting that "inherency may not be established by probabilities or possibilities"), *Scaltech Inc. v. Retec/Tetra*, 178 F.3d 1378 (Fed. Cir. 1999)), in a single prior art reference, *Akzo N.V. v. U.S. Int'l Trade Commission*, 808 F.2d 1471 (Fed. Cir. 1986), based on the foregoing, it is submitted that Tiwari does not anticipate claims 1 – 20.

Applicants would also like to thank the Examiner for providing, as a courtesy to Applicants' representatives, a copy of U.S. Patent No. 6,014,694 to Aharoni. The Examiner indicated that the Aharoni may be more relevant to the pending application. However, Aharoni also fails to disclose at least the above identified features.

Having fully responded to all matters raised in the Office Action, Applicants submit that all claims are in condition for allowance, an indication for which is respectfully solicited.

If there are any outstanding issues that might be resolved by an interview or an Examiner's amendment, the Examiner is requested to call Applicants' attorney at the telephone number shown below.

To the extent necessary, a petition for an extension of time under 37 C.F.R. 1.136 is hereby made. Please charge any shortage in fees due in connection with the filing of this paper, including extension of time fees, to Deposit Account 500417 and please credit any excess fees to such deposit account.

Respectfully submitted,

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